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LATHAM & WATKINS LLP

March 21, 2005

BY HAND DELIVERY

STAMP
AND
RETURN

Federal Communications Commission
P.O. Box 358145
Pittsburgh, PA 15251-5155

Re: Joint International and Domestic Application for Consent to Transfer Assets from Global Crossing Telecommunications, Inc., Global Crossing Local Services, Inc., Global Crossing Telemanagement, Inc., and Global Crossing Telemanagement, LLC, to Matrix Telecom, Inc., pursuant to Section 214

Dear Sir/Madam:

Enclosed, please find an original and four copies of the Joint International and Domestic Application for Consent to Transfer Assets submitted by the above-referenced parties. Included in this package is a completed FCC Form 159 and a check in the amount of \$895.00 to cover the filing fee payment for this transfer of assets.

Additionally, we are concurrently filing the attached Joint Application with the Federal Communications Commission's International Bureau.

Please stamp and return the extra copy in the enclosed, self-addressed envelope. Should you have any questions concerning this submission, kindly contact the undersigned.

Sincerely,



Jeffrey A. Marks
of LATHAM & WATKINS LLP

Enclosures

WC 05-159

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**Before the
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554**

In the Matter of)	
)	
MATRIX TELECOM, INC.)	
)	
Transferee,)	
)	
GLOBAL CROSSING)	
TELECOMMUNICATIONS, INC.,)	
GLOBAL CROSSING)	
LOCAL SERVICES, INC.,)	
GLOBAL CROSSING)	
TELEMANAGEMENT, INC. AND)	
GLOBAL CROSSING)	
TELEMANAGEMENT, LLC)	File No. _____
)	
Transferors,)	
)	
Joint International and Domestic Application)	
for Authority Pursuant to Section 214)	
of the Communications Act)	
of 1934, as amended, to Transfer)	
Assets of Authorized International and)	
Domestic Carriers)	

**JOINT INTERNATIONAL AND DOMESTIC APPLICATION FOR CONSENT TO
TRANSFER ASSETS**

Pursuant to Section 214 of the Communications Act of 1934, as amended, ("Communications Act"), 47 U.S.C. § 214, and Sections 63.03 and 63.24 of the Commission's Rules, 47 C.F.R. §§ 63.03, 63.24, Matrix Telecom, Inc. ("Matrix"), Global Crossing Telecommunications, Inc. ("GC Telecommunications"), Global Crossing Local Services, Inc. ("GC Local"), Global Crossing Telemanagement, Inc. ("GC Telemanagement") and Global Crossing Telemanagement, LLC ("GC LLC," and together with GC Telecommunications, GC Local, and GC Telemanagement, "GC") (together with Matrix, "Applicants") hereby request

authority to effectuate the transfer of certain assets of GC to Matrix. GC Telecommunications and Matrix are both non-dominant carriers authorized by the Commission to provide international and domestic telecommunications services. GC Local, GC Telemanagement and GC LLC are non-dominant carriers authorized to provide only domestic telecommunications services. Applicants seek streamlined processing of this application.¹

In support of this Application, Applicants submit the following information:

I. THE PARTIES

(a) Matrix

Matrix is a corporation organized under the laws of the State of Texas with its principal offices located at 300 N. Meridian, Suite 200 North, Oklahoma City, OK 73107. Matrix has global authority to provide resold international telecommunications services.² Matrix is considered a non-dominant carrier under the Commission's Rules. The company has no affiliation, within the meaning of Section 63.09(e) of the Commission's Rules, 47 C.F.R. § 63.09(e), with a dominant U.S. or foreign facilities-based carrier.

Information concerning Matrix's legal, technical, and financial qualifications to provide service was submitted with the company's application for Section 214 authorization and is, therefore, already a matter of record before the Commission.

(b) GC

GC Telecommunications is a corporation organized under the laws of the State of Michigan. GC Local is a corporation organized under the laws of Delaware. GC Telemanagement is a corporation organized in the state of Wisconsin. GC LLC is a Virginia

¹ A Domestic Supplement, containing the information required by 47 C.F.R. § 63.04 is attached hereto as Exhibit A.

² Matrix Telecom, Inc. was authorized by the Commission to provide international services under its former name, Matrix Telecom, by *In the Matter of Matrix Telecom Application for Authority to Operate as an International Resale Carrier, Order, Authorization and Certificate*, File No. ITC 91-176, DA 91-1192, 6 FCC Rcd. 5571 (1991). Approval of the transfer of control of Matrix Telecom to Matrix Telecom, Inc. was granted by Overseas Section 214 Applications, *Public Notice*, File No. ITC-T/C-94-482, Report No. I-7040 (1994).

limited liability corporation. The Transferors' principal offices are located at 1080 Pittsford-Victor Road, Pittsford, New York 14534. GC Telecommunications has global authority to provide resold and facilities based international telecommunications services.³ GC Local, GC Telemanagement and GC LLC provide local exchange services throughout the United States and do not hold international 214 authority.

II. DESCRIPTION OF TRANSACTION

On March 19, 2005, GC Telecommunications and Matrix entered into an Asset Purchase Agreement (hereinafter referred to as "Agreement"). Pursuant to the terms and subject to the conditions of the Agreement, Matrix will purchase from GC certain assets and assume certain liabilities relating to GC's Small Business Group, which provides voice and data products to small and medium sized business enterprises throughout the United States. The assets included in the transaction consist primarily of the Small Business Group customer base. Upon consummation of the transactions contemplated in the Agreement, Matrix will serve the Small Business Group customer base, and GC will continue to provide service to those customers not previously served by its Small Business Group. Accordingly, after consummation of the proposed transaction, GC will retain its authorizations to provide domestic interstate and international telecommunications services.

III. PUBLIC INTEREST

Grant of the proposed transaction will serve the public interest. The Applicants do not anticipate any change to the rates, terms or conditions of service to the Small Business Group customers as a result of the transaction.⁴ Moreover, consummation of the proposed transaction will serve the public interest in promoting competition in the domestic and international telecommunications market by providing Matrix the opportunity to strengthen its competitive

³ Global Crossing Telecommunications, Inc. is authorized by the Commission to provide international services under the following file numbers: ITC-84-126, ITC-87-179, ITC-88-152, ITC-88-013, ITC-87-113, ITC-95-295, ITC-214-19960530-00220, ITC-214-19960621-00265, ITC-214-19960715-00309, and ITC-214-19960729-00351.

⁴ The parties will notify each affected customer at least 30 days in advance of consummation of the pending transaction to ensure a smooth transition from GC to Matrix. See sample customer notification letter at Exhibit D.

position by combining GC's Small Business Group customer base with Matrix's current services, products and expertise. The proposed transaction also will free GC's resources to focus on its core global information services customers and invigorate its service to these customers. Moreover, approval of the transfer will permit Matrix to realize significant economic and marketing efficiencies which will enhance its ability to continue providing high quality, low cost telecommunications services and to compete more effectively in the telecommunications market. Matrix's operations will more readily increase in size and profitability, due to enhanced economies of scale. Accordingly, the proposed acquisition will benefit consumers through improved services and lower rates, thereby promoting competition in the telecommunications market.

For each of the foregoing reasons, grant of the proposed transaction is in the public interest.

IV. SPECIFIC PART 63 INFORMATION

As required by Section 63.24(e)(2) of the Commission's Rules, Applicant submits the following information:⁵

(a) Names, addresses and telephone numbers of Parties:

Transferee

Matrix Telecom, Inc.
300 N. Meridian
Suite 200 North
Oklahoma City, OK 73017
Telephone: (405) 951-9300

Transferors

Global Crossing Telecommunications, Inc.
1080 Pittsford-Victor Road
Pittsford, New York 14534
Telephone: (585) 255-1429

⁵ Although GC Local, GC Telemanagement and GC LLC do not hold international section 214 authority, these entities provide information in this section to the extent necessary to provide all information also required by section 63.04 of the Commission's rules. These entities hold authority to provide domestic interstate telecommunications services pursuant to a blanket license provided by section 63.01(a) of the Commission's rules.

Global Crossing Local Services, Inc.
1080 Pittsford-Victor Road
Pittsford, New York 14534
Telephone: (585) 255-1429

Global Crossing Telemanagement, Inc.
1080 Pittsford-Victor Road
Pittsford, New York 14534
Telephone: (585) 255-1429

Global Crossing Telemanagement, LLC
1080 Pittsford-Victor Road
Pittsford, New York 14534
Telephone: (585) 255-1429

(b) The Government, State, or Territory under the laws of which each of the Parties is organized:

Matrix is a corporation organized under the laws of the State of Texas. GC Telecommunications is a corporation organized under the laws of the State of Michigan. GC Local is a corporation organized under the laws of Delaware. GC Telemanagement is a corporation organized in the state of Wisconsin. GC LLC is a Virginia limited liability corporation.

(c) Correspondence concerning this Application should be addressed to:

Judith A. Riley, Esq.
Telecom Professionals, Inc.
2912 Lakeside Drive
Oklahoma City, OK 73120
Telephone: (405) 755-8177
Facsimile: (405) 755-8377
email: jriley@telecompliance.net

Counsel to Matrix Telecom, Inc.

with a copy to:

Matrix Telecom, Inc.
Attn: Greg Taylor, Esq.
300 N. Meridian
Suite 200 North
Oklahoma City, OK 73127
Telephone: (405) 717-9612

Facsimile: (405) 951-6312
email: gtaylor@matrixvalue.com

and

Michael J. Shortley, III
Vice President/General Counsel – North America
Global Crossing North America, Inc.
1080 Pittsford-Victor Road
Pittsford, New York 14534
Telephone: (585) 255-1429
Facsimile: (585) 381-6781
email: michael.shortley@globalcrossing.com

with a copy to:

Teresa D. Baer
Jeffrey A. Marks
Latham & Watkins LLP
555 Eleventh Street, NW
Suite 1000
Washington, DC 20004-1304
Telephone: (202) 637-2200
Facsimile: (202) 637-2201
email: teresa.baer@lw.com
jeffrey.marks@lw.com

Counsel to Global Crossing Telecommunications, Inc., Global Crossing Local Services, Inc., Global Crossing Telemanagement, Inc. and Global Crossing Telemanagement, LLC

(d) Statement as to previous Section 214 authorization:

As discussed above, Matrix previously received authority from the Commission under Section 214 of the Communications Act to provide global resale services.⁶ GC Telecommunications previously received authority from the Commission under Section 214 of the Communications Act to provide global resale and facilities-based services.⁷

- (e) This Application requests Commission consent to the transfer of certain assets relating to GC's Small Business Group from GC to Matrix.

⁶ See *supra* at 2, n.2.

⁷ See *supra* at 2, n.3.

(f) Not applicable.

(g) Not applicable.

(h) **The following corporation holds a ten percent (10%) or greater ownership interest in Matrix:**

<u>Name/Address</u>	<u>% Held</u>	<u>Citizenship</u>	<u>Principal Business</u>
EnergyTRACS Acquisition Corp. 360 N. Crescent Drive South Building Beverly Hills, CA 90210	100%	USA	Holding corporation

The following corporation holds a ten percent (10%) or greater ownership interest in EnergyTRACS Acquisition Corp:

<u>Name/Address</u>	<u>% Held</u>	<u>Citizenship</u>	<u>Principal Business</u>
Platinum Equity, LLC 360 N. Crescent Drive South Building Beverly Hills, CA 90210	100%	USA	Holding corporation

The following individual holds a ten percent (10%) or greater ownership interest in Platinum Equity:

<u>Name/Address</u>	<u>% Held</u>	<u>Citizenship</u>	<u>Principal Business</u>
Tom T. Gores 360 N. Crescent Drive South Building Beverly Hills, CA 90210	100%	USA	Venture capital

(i) **Certification that Matrix is not a foreign carrier and is not affiliated with a foreign carrier:**

See Exhibit B.

(j) **Certification that Matrix does not intend to provide international telecommunications services to a destination country for which any of Sections 63.18(j)(1)-(4) of the Commission's Rules, 47 C.F.R. § 63.18(j)(1)-(4) is true:**

See Exhibit B.

(k) Not applicable (see response to item (j)).

- (l) Not applicable (see response to item (j)).
- (m) Not applicable (see response to item (j)).
- (n) **Certification that Matrix has not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route and will not enter into such agreements in the future:**

See Exhibit B.

- (o) **Certifications by Parties that no party to this Application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. 853(a):**

See Exhibits B and C.

- (p) **Streamlined processing.**

Applicants request streamlined processing of this application pursuant to Section 63.12 of the Commission's Rules, 47 C.F.R. § 63.12. This Application is eligible for streamlined processing pursuant to Section 63.12 of the Commission's Rules because: (1) Matrix, the transferee, is not affiliated with a foreign carrier; (2) Matrix is not affiliated with a dominant U.S. carrier; and (3) Matrix does not seek authority to provide switched basic services over private lines to a country for which the Commission has not previously authorized the provision of switched services over private lines. *See* 47 C.F.R. §§ 63.12(a)-(c).

V. CONCLUSION

For the foregoing reasons stated, Matrix and GC respectfully submit that grant of this Application would serve the public interest, convenience and necessity.

Respectfully submitted,



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Oklahoma City, OK 73127
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@matrixvalue.com

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Global Crossing North America, Inc.
1080 Pittsford-Victor Road
Pittsford, New York 14534
Telephone: (585) 255-1429
Facsimile: (585) 381-6781
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March 11, 2005.

Respectfully submitted,

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March 21, 2005.

EXHIBIT A
DOMESTIC SUPPLEMENT

DOMESTIC SUPPLEMENT TO
JOINT INTERNATIONAL AND DOMESTIC APPLICATION FOR CONSENT
TO TRANSFER ASSETS

Pursuant to 47 C.F.R. § 63.04 (b), the following information required by 47 C.F.R. 63.04(a)(6)-(a)(12) is supplied in connection with the attached Joint International and Domestic Application For Consent To Transfer Assets.

(6) Description of the transaction:

On March 19, 2005, GC Telecommunications and Matrix entered into an Asset Purchase Agreement (hereinafter referred to as "Agreement"). Pursuant to the terms and subject to the conditions of the Agreement, Matrix will purchase from GC certain assets and assume certain liabilities relating to GC's Small Business Group, which provides voice and data products to small and medium sized business enterprises throughout the United States. The assets included in the transaction consist primarily of the Small Business Group customer base. Upon consummation of the transactions contemplated in the Agreement, Matrix will serve the Small Business Group customer base, and GC will continue to provide service to those customers not previously served by its Small Business Group. Accordingly, after consummation of the proposed transaction, GC will retain its authorizations to provide domestic interstate and international telecommunications services.

(7) A description of the geographic areas in which the transferor and transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area:

Matrix and GC each offer data and domestic local and long distance services throughout the United States.

(8) A statement as to how the application fits into one or more of the presumptive streamlined categories in section 63.03 or why it is otherwise appropriate for streamlined treatment:

Matrix, as transferee, will have less than a 10 percent market share in the interstate, inter-exchange market as a result of the transaction and will provide services exclusively in geographic areas served by a dominant local exchange carrier that is not a party to this transaction. Further, neither Matrix nor GC is dominant with respect to any service. Therefore, this application is appropriate for streamlined treatment pursuant to 47 C.F.R. § 63.03 (b)(2).

(9) Identification of all other Commission applications related to the same transaction:

The attached application for consent to the transfer of assets related to the provision of international telecommunications services is being submitted herewith.

- (10) **A statement of whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure:**

Applicants do not seek special consideration in this Application.

- (11) **Identification of any separately filed waiver requests being sought in conjunction with the transaction:**

Applicants do not seek any waivers in conjunction with the transactions discussed in this Application.

- (12) **A statement showing how grant of the application will serve the public interest, convenience and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets:**

Grant of the proposed transaction will serve the public interest. The Applicants do not anticipate any change to the rates, terms or conditions of service to the Small Business Group customers as a result of the transaction. Moreover, consummation of the proposed transaction will serve the public interest in promoting competition in the domestic telecommunications market by providing Matrix the opportunity to strengthen its competitive position by combining GC's Small Business Group customer base with Matrix's current services, products and expertise. The proposed transaction also will free GC's resources to focus on its core global information services customers and invigorate its service to these customers. Moreover, approval of the transfer will permit Matrix to realize significant economic and marketing efficiencies which will enhance its ability to continue providing high quality, low cost telecommunications services and to compete more effectively in the telecommunications market. Matrix's operations will more readily increase in size and profitability, due to enhanced economies of scale. Accordingly, the proposed acquisition will benefit consumers through improved services and lower rates, thereby promoting competition in the telecommunications market.

For each of the foregoing reasons, grant of the proposed transaction is in the public interest.

EXHIBIT B

CERTIFICATIONS OF APPLICANT

MATRIX TELECOM, INC.

CERTIFICATIONS OF APPLICANT

On behalf of Matrix Telecom, Inc. ("Matrix") and in accordance with Sections 1.2001-1.2003 of the Commission's Rules, 47 C.F.R. §§ 1.2001-1.2003, I hereby certify that neither Matrix, its officers and directors, or any party with a five percent or greater interest in Matrix, is subject to a denial of the Federal benefits requested herein pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. See 21 U.S.C. § 853(a). I also hereby certify that the statements in the foregoing application are true, complete, and correct to the best of my knowledge and are made in good faith.

Matrix has not agreed to accept any concessions directly or indirectly from any foreign carrier or administration with respect to traffic or revenue flow between the United States and various international points under the authority granted under Section 214 of the Communications Act of 1934, as amended, and the Commission's Rules, and has not agreed to enter into such agreements in the future.

Pursuant to Section 63.18(i) of the Commission's Rules, 47 C.F.R. § 63.18(i), I certify that Matrix is neither a foreign carrier nor affiliated with a foreign carrier as defined by the Commission's Rules.

Further, pursuant to Section 63.18(j) of the Commission's Rules, 47 C.F.R. § 63.18(j), I certify that Matrix does not intend to provide international telecommunications services to a destination country for which: (1) Matrix is a foreign carrier in that country; or (2) Matrix controls a foreign carrier in that country; or (3) any entity that owns more than 25 percent of Matrix controls a foreign carrier in that country; or (4) two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than 25 percent of Matrix and are parties to, or the beneficiaries of, a contractual relation (e.g., a joint venture or market alliance) affecting the provision or marketing of international basic telecommunications services in the United States.

MATRIX TELECOM, INC.

By:



Name:

Dennis Smith

President

3/21/05

EXHIBIT C
CERTIFICATIONS OF AUTHORIZED CARRIER
GLOBAL CROSSING

CERTIFICATIONS OF AUTHORIZED CARRIER

On behalf of Global Crossing Telecommunications, Inc., Global Crossing Local Services, Inc., Global Crossing Telemanagement, Inc. and Global Crossing Telemanagement, LLC (collectively, "GC") and in accordance with Sections 1.2001-1.2003 of the Commission's Rules, 47 C.F.R. §§ 1.2001-1.2003, I hereby certify that neither GC, its officers and directors, nor any party with a five percent or greater interest in GC, is subject to a denial of the Federal benefits requested herein pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. See 21 U.S.C. § 853(a). I also hereby certify that the statements in the foregoing application are true, complete, and correct to the best of my knowledge and are made in good faith.

GLOBAL CROSSING TELECOMMUNICATIONS, INC.,
GLOBAL CROSSING LOCAL SERVICES, INC.,
GLOBAL CROSSING TELEMAGEMENT, INC.
AND GLOBAL CROSSING TELEMAGEMENT, LLC

By: Michael J. Shortle, Jr.
Name: MICHAEL J. SHORTLE, JR.
Title: VIC PRESIDENT & GENERAL COUNSEL - NORTH AMERICA
Date: 21 MARCH 2005

EXHIBIT D

SAMPLE CUSTOMER NOTIFICATION LETTER



██████, 2005

Dear Customer:

Global Crossing Telecommunications, Inc. and its affiliated companies ("Global Crossing") currently provide your local and/or long distance service. Matrix Telecom, Inc. ("Matrix") has agreed to acquire some of the assets of Global Crossing and will shortly begin providing local and/or long distance services to Global Crossing customers currently being served by the Global Crossing Small Business Group. This transfer will not affect your rates or the terms and conditions of your service.

Subject to obtaining state and federal regulatory approvals, we anticipate that the transition will occur in the near future, but not before May 15, 2005. Unless you have begun using a service provider other than Global Crossing prior to this date, Matrix will transition your current local and/or long distance service to Matrix. If Global Crossing is not your local service provider, the change to Matrix will not impact your local carrier selection.

The rates you currently pay for long distance, as well as your terms and conditions of service, will remain unchanged. If, in the future, there are any changes to your rates or the terms and conditions of your service, you will be notified of them by mail.

Except in the event of the existence of a contract for your telecommunications service, you have the right to subscribe to local and long distance service from any service provider you wish. This decision is entirely up to you, and you may choose to switch to another carrier either before or after this change occurs. Matrix values your continued business and will gladly respond to any questions or complaints you may have about your service either prior to or during the change. Because of this change, a carrier change charge may appear on your bill. However, Matrix will be happy to credit any such charges that appear on your bill due to the change to Matrix. However, selecting a carrier other than Matrix may result in a charge being imposed for which Matrix will not be responsible.

If you are a long distance customer only, and you have arranged a preferred carrier freeze through your local carrier on the service(s) involved in this transfer, the freeze will be removed in order to transition your service to Matrix. After the transfer, you must contact your local carrier if you want to re-establish a preferred carrier freeze.

Until the actual transfer date, Global Crossing will continue to be responsible for all customer service and billing issues. You should contact Global Crossing with any complaints or other customer services inquiries you may have prior to the transfer. After the transfer date, you should refer your questions to Matrix.

If you have any questions regarding this notice, please contact Matrix toll-free at (888) 829-6926 or your Global Crossing representative.

Sincerely,
Matrix Telecom, Inc.
Global Crossing Telecommunications, Inc.